

Purpose of form

Use this form to calculate and pay estimated North Dakota income tax. Individuals generally must pay their income tax in one of two ways—through the withholding of income tax from their paychecks or through the payment of estimated tax. If you receive earnings from self-employment, interest, dividends, rents, and other types of income not subject to withholding, you may have to pay estimated tax.

Who must pay estimated tax?

You must pay estimated North Dakota income tax for the 2008 tax year if all four of the following conditions apply:

1. You are required to pay estimated federal income tax for the 2008 tax year. This condition applies whether or not you actually make the required payment of estimated tax to the Internal Revenue Service.
2. Your net tax liability for the 2007 tax year was equal to or more than \$500.

Note: If you were not required to file a North Dakota income tax return for the 2007 tax year, your net tax liability for 2007 is zero for this purpose.

3. You expect to owe (after subtracting your estimated North Dakota income tax withholding) an amount equal to or more than \$500 for the 2008 tax year.
4. You expect your estimated North Dakota income tax withholding for the 2008 tax year to be less than the smaller of:

- a. 90% of your net tax liability for the 2008 tax year.
- b. 100% of your net tax liability for the 2007 tax year.

Note: If you moved into North Dakota during 2007 and had no income from North Dakota prior to the move, part b does not apply; you must satisfy the 90% threshold in part a.

How to determine your estimated tax

Complete the worksheet on page 2. The worksheet is set up only for individuals who will use Form ND-1 for the 2008 tax year. See “Form ND-2 (Optional method)” below if you plan on using Form ND-2 for the 2008 tax year. For line 1 of the worksheet, estimate your federal taxable income using the 2008 Form 1040-ES, the federal estimated tax form for individuals. See the instructions to the 2007 Form ND-1 for information on the adjustments on lines 2 and 4, and the credits on line 7, of the worksheet.

Married persons filing separate returns.

If you are married and plan to file separate federal and North Dakota income tax returns for the 2008 tax year, you and your spouse must make separate estimated tax payments based on your separate incomes. Each of you should obtain and complete Form 400-ES to determine your separate estimated tax payments.

Form ND-2 (Optional method). If you plan on using Form ND-2 (Optional method) for the 2008 tax year, use a 2007 Form ND-2 to calculate an estimated North Dakota income tax (after credits but before subtracting any withholding). Enter this amount on line 8 of the worksheet on page 2, and complete lines 9 through 14 as instructed. Skip lines 15 through 19.

Payment amounts and due dates

In general, one-fourth (25%) of the total estimated tax that you are required to pay (from line 14 of the worksheet) must be paid by each of the following due dates:

- 1st installment April 15, 2008
- 2nd installment June 15, 2008
- 3rd installment September 15, 2008
- 4th installment January 15, 2009

The above due dates apply if your tax year is a calendar year—January 1 through December 31, 2008. However, if you file on a fiscal year basis, the installments are due on the 15th day of the 4th, 6th, and 9th months of the current tax year, and the 15th day of the 1st month of the following tax year. If any installment due date falls on a Saturday, Sunday, or legal holiday, the installment is not due until the next business day.

Farmers. If you qualify as a farmer for federal estimated income tax purposes for the 2008 tax year, you may pay your estimated tax according to the general rules explained above, or you may pay the full amount of your estimated tax due by January 15, 2009.

Note: Regardless of the option chosen, you have until the regular due date (generally, April 15, 2009) to file your 2008 North Dakota individual income tax return.

Note: The tax calculation in the worksheet (on page 2) does not take into account the 3-year elected farm income averaging on Schedule ND-1FA.

Part-year requirement. If you are a full-year nonresident or you changed your residence to North Dakota during the 2008 tax year, and you do not receive income from North Dakota sources until after the first installment due date (generally, April 15, 2008), you must pay the required estimated tax in equal payments over the remaining installment due dates following the receipt of income from North Dakota sources.

How and where to pay

You may pay your estimated tax by check or money order, or by credit card.

Check or money order

Complete the estimated tax payment voucher for the applicable installment and submit it along with your check or money order made payable to “ND State Tax Commissioner.” To ensure proper credit to your account, write your social security number and “2008 Form 400-ES” on your check or money order. Mail your payment and voucher to:

Office of State Tax Commissioner
600 E. Boulevard Ave., Dept. 127
Bismarck, ND 58505-0551

Credit card

You may pay your estimated tax using your MasterCard®, American Express® Card, Discover® Card, or VISA® Card. The payment may be made by telephone or over the Internet through Link2Gov Corporation, a private credit card payment service provider. Link2Gov Corporation will charge a fee for its services—the State of North Dakota does not receive any part of the fee.

To pay by credit card, call toll free **1-888-ND-TAXES** (1-888-638-2937), or go online at **www.nd.gov/tax**.

If you pay by credit card, do not use the estimated tax payment vouchers attached to this form.

Underpayment or late payment interest

Interest may be charged if you do not pay enough estimated tax, or if you do not make the payment on time or in the required amount. This applies even if you have a refund on your 2008 North Dakota individual income tax return. Interest is calculated at the rate of 12% per year from the installment due date to the earlier of the date the estimated tax is paid or the regular due date of the return (generally, April 15, 2009).

Need help?

If you have questions or need forms, see page 3 of this form for how to contact us.

Privacy Act information—In compliance with the Federal Privacy Act of 1974 (Public Law 93-579), the disclosure of the individual's social security number on this form is mandatory and is required under subsections 1 and 7 of North Dakota Century Code § 57-38-31. An individual's social security number is used as an identification number by the North Dakota Office of State Tax Commissioner for file control and recordkeeping purposes, and for cross-checking the individual's files with those of the Internal Revenue Service.

2008 estimated income tax worksheet—individuals

1. Estimated federal taxable income for the 2008 tax year (*from worksheet in 2008 Federal Form 1040-ES*) 1 _____
2. Addition adjustments—see the 2007 Form ND-1 instruction booklet (lines 2 through 4) for required adjustments 2 _____
3. Balance (*Add lines 1 and 2*) 3 _____
4. Subtraction adjustments—see the 2007 Form ND-1 instruction booklet (lines 6 through 14) for allowable adjustments 4 _____
5. North Dakota taxable income (*Subtract line 4 from line 3*) 5 _____
6. North Dakota income tax—calculate the tax for the amount on line 5 as follows 6 _____
 - If you (and your spouse, if filing jointly) were full-year residents, calculate the tax using the applicable 2008 Form ND-1 Tax Rate Schedule below.
 - If you (or your spouse, if filing jointly) was a full-year nonresident or a part-year resident, complete lines 15 through 19 below.
7. Credits—see the 2007 Form ND-1 instruction booklet (lines 19 through 24) for allowable credits 7 _____
8. Net tax liability (*Subtract line 7 from line 6*) 8 _____
9. Estimated North Dakota income tax withholding for the 2008 tax year 9 _____
10. Balance due (*Subtract line 9 from line 8*). If the amount on this line is less than \$500, stop here; you do not have to pay estimated tax 10 _____
11. Multiply line 8 by 90% (.90) 11 _____
12. Net tax liability from 2007 Form ND-1, line 25, or from 2007 Form ND-2, Tax Computation Schedule, line 7. If you were not required to file a 2007 return, enter 0. If the amount on this line is less than \$500, stop here; you do not have to pay estimated tax 12 _____
13. Enter the smaller of line 11 or line 12. However, if you moved into North Dakota during the 2007 tax year and had no income from North Dakota prior to the move, enter the amount from line 11. If line 9 is equal to or greater than the amount on this line, stop here; you do not have to pay estimated tax 13 _____
14. Minimum annual payment (*Subtract line 9 from line 13*). Divide this amount by four to determine the amount to pay on each installment due date. See **Payment amounts and due dates** in the instructions on page 1 for the due dates and for exceptions to paying in four installments 14 _____

Full-year nonresident or part-year resident tax calculation only (lines 15 through 19)

15. Calculate the tax for the amount on line 5 using the applicable 2008 Form ND-1 Tax Rate Schedule below 15 _____
16. Income from North Dakota sources. Enter the portion of your estimated federal adjusted gross income that is reportable to North Dakota (except U.S. obligation interest) 16 _____
17. Estimated federal adjusted gross income (reduced by U.S. obligation interest) 17 _____
18. North Dakota income ratio (*Divide line 16 by line 17. Round to nearest two decimal places.*) 18 _____ . _____
19. Multiply line 15 by line 18. Enter this amount on line 6 above 19 _____

2008 Form ND-1 Tax Rate Schedules**Single**

If North Dakota taxable income is:		Your tax is equal to:
Over	But not over	
\$ 0	\$ 32,550	2.1% of North Dakota taxable income
32,550	78,850	\$ 683.55 + 3.92% of amount over \$ 32,550
78,850	164,550	\$ 2,498.51 + 4.34% of amount over 78,850
164,550	357,700	\$ 6,217.89 + 5.04% of amount over 164,550
357,700		\$ 15,952.65 + 5.54% of amount over 357,700

Married filing jointly and Qualifying widow(er)

If North Dakota taxable income is:		Your tax is equal to:
Over	But not over	
\$ 0	\$ 54,400	2.1% of North Dakota taxable income
54,400	131,450	\$ 1,142.40 + 3.92% of amount over \$ 54,400
131,450	200,300	\$ 4,162.76 + 4.34% of amount over 131,450
200,300	357,700	\$ 7,150.85 + 5.04% of amount over 200,300
357,700		\$ 15,083.81 + 5.54% of amount over 357,700

Married filing separately

If North Dakota taxable income is:		Your tax is equal to:
Over	But not over	
\$ 0	\$ 27,200	2.1% of North Dakota taxable income
27,200	65,725	\$ 571.20 + 3.92% of amount over \$ 27,200
65,725	100,150	\$ 2,081.38 + 4.34% of amount over 65,725
100,150	178,850	\$ 3,575.43 + 5.04% of amount over 100,150
178,850		\$ 7,541.91 + 5.54% of amount over 178,850

Head of household

If North Dakota taxable income is:		Your tax is equal to:
Over	But not over	
\$ 0	\$ 43,650	2.1% of North Dakota taxable income
43,650	112,650	\$ 916.65 + 3.92% of amount over \$ 43,650
112,650	182,400	\$ 3,621.45 + 4.34% of amount over 112,650
182,400	357,700	\$ 6,648.60 + 5.04% of amount over 182,400
357,700		\$ 15,483.72 + 5.54% of amount over 357,700

Call

Questions: (701) 328-1032

Forms: (701) 328-3450

If speech or hearing impaired, call us through
Relay North Dakota at 1-800-366-6888.

E-mail

Request forms, ask questions, or send messages to
us via e-mail at—

individualltax@nd.gov**Web site**

Our Web site address is—

www.nd.gov/tax**Write**

Office of State Tax Commissioner

600 E. Boulevard Ave., Dept. 127

Bismarck, ND 58505-0599

Walk-in assistance

Stop in to see us in person at our main office in Bismarck. You
will find us in the—

Individual Income Tax Section

State Capitol, 16th Floor

Monday through Friday (except holidays)

8:00 a.m. to 5:00 p.m.

Record of estimated tax payments for 2008 tax year

<i>Installment number</i>	<i>Payment due date ¹</i>	<i>Date paid</i>	<i>Check or money order number</i>	<i>Amount paid</i>	<i>Amount, if any, applied from 2007 return ²</i>	<i>Total amount paid</i>
1	April 15, 2008					
2	June 15, 2008					
3	Sept. 15, 2008					
4	Jan. 15, 2009					
Total estimated tax paid for 2008						

¹ In the case of (1) a fiscal year filer, (2) a farmer, or (3) an individual whose estimated tax requirement does not begin until after April 15, 2008, see instructions for applicable due dates.

² If you attached a statement to your 2007 North Dakota return electing to apply part or all of your 2007 overpayment to a quarter other than the first quarter of 2008, enter the overpayment on the applicable quarter's line.

400-ES

Do not use this voucher if
paying by credit card

Your first name and initial

Last name

If joint estimate, spouse's first name and initial

Last name

Mailing address

City, State and Zip Code

Form
400-ES

North Dakota Office of State Tax Commissioner

**Estimated tax payment voucher —
individuals**
400-ES**2008****4th Installment**

Due January 15, 2009

Your social security number

Your spouse's social security number

Amount of Payment \$

For Tax
Department
use only

- Make check or money order payable to "ND State Tax Commissioner."
- Write social security number(s) and "2008 Form 400-ES" on check or money order.
- Mail to: Office of State Tax Commissioner, 600 E. Boulevard Ave., Dept. 127, Bismarck, ND 58505-0551

400-ES**400-ES**

400-ES

Do not use this voucher if
paying by credit cardForm
400-ESNorth Dakota Office of State Tax Commissioner
**Estimated tax payment voucher —
individuals**

400-ES

2008
1st Installment
Due April 15, 2008

Your first name and initial

Last name

If joint estimate, spouse's first name and initial

Last name

Mailing address

City, State and Zip Code

- Make check or money order payable to "ND State Tax Commissioner."
- Write social security number(s) and "2008 Form 400-ES" on check or money order.
- Mail to: Office of State Tax Commissioner, 600 E. Boulevard Ave., Dept. 127, Bismarck, ND 58505-0551

Your social security number

Your spouse's social security number

Amount of Payment \$

For Tax
Department
use only

400-ES

400-ES

400-ES

Do not use this voucher if
paying by credit cardForm
400-ESNorth Dakota Office of State Tax Commissioner
**Estimated tax payment voucher —
individuals**

400-ES

2008
2nd Installment
Due June 15, 2008

Your first name and initial

Last name

If joint estimate, spouse's first name and initial

Last name

Mailing address

City, State and Zip Code

- Make check or money order payable to "ND State Tax Commissioner."
- Write social security number(s) and "2008 Form 400-ES" on check or money order.
- Mail to: Office of State Tax Commissioner, 600 E. Boulevard Ave., Dept. 127, Bismarck, ND 58505-0551

Your social security number

Your spouse's social security number

Amount of Payment \$

For Tax
Department
use only

400-ES

400-ES

400-ES

Do not use this voucher if
paying by credit cardForm
400-ESNorth Dakota Office of State Tax Commissioner
**Estimated tax payment voucher —
individuals**

400-ES

2008
3rd Installment
Due September 15, 2008

Your first name and initial

Last name

If joint estimate, spouse's first name and initial

Last name

Mailing address

City, State and Zip Code

- Make check or money order payable to "ND State Tax Commissioner."
- Write social security number(s) and "2008 Form 400-ES" on check or money order.
- Mail to: Office of State Tax Commissioner, 600 E. Boulevard Ave., Dept. 127, Bismarck, ND 58505-0551

Your social security number

Your spouse's social security number

Amount of Payment \$

For Tax
Department
use only

400-ES

400-ES